

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

Ellen S. Ewald,

Civil No. 11-cv-02116 (SRN/SER)

Plaintiff,

vs.

**DECLARATION OF
TERJE MIKALSEN**

Royal Norwegian Embassy,

Defendants.

I, Terje Mikalsen, declare under penalty of perjury that the following is true and correct:

1. I am Ellen Ewald's husband and we have been what Americans refer to as common law spouses for many years. We have also been business partners in Tysvar since Ellen was dismissed from the Consulate. I am the CEO of Tysvar.
2. I have many decades of knowledge and experience dealing with Norwegian start-ups and entrepreneur management. I was a co-founder of Norway's first Venture Capital fund, Technoinvest, about 30 years ago and served as its first chairman for many years. I have been a co-investor in more than 60 companies and as chairman taken three companies to the securities markets in New York, two of which in consecutive order obtained the second largest market capitalization on the Oslo Stock Exchange.
3. I have been a member of the Norwegian Government's business advisory committee under three different prime ministers and for many years a member of the board for privately-held industries in the Norwegian Association of Industries, until I moved to Minneapolis in 2008.
4. The above activities have provided me with a unique network throughout the political, industrial and financial sectors in Norway.

5. Norway has very robust innovation and entrepreneurial activity, which traditionally has focused on the maritime sector but lately also on oil and gas exploration including in particular advanced offshore and subsea technologies, where it has become a world leader. This focus has led to a lack of early stage capital into other sectors, which means that the Norwegian Government has had to play an important role to assist in entrepreneurial efforts among Norwegians. Those efforts are mainly channeled through Innovation Norway (IN) giving grants and soft loans through a network with 19 offices throughout the country and in 39 selected cities in 35 countries including 5 offices in USA. In addition IN supports positions in other locations like they did at the Honorary Norwegian Consulate General in Minneapolis.
6. IN is owned by the Ministry of Trade and Industry and several counties in Norway and is funded through a network of government channels. There is no private funding. IN is essentially an arm of the Norwegian Government.
7. I am familiar with IN for a variety of reasons. For example, I was a Board Member in the forerunner to IN, SND, up to 2003 working with the current CEO.
8. IN is by far the most important source of Norwegian Government funding for start-ups and for introductions into foreign markets and since IN also requests companies to work with their people abroad, a good relationship with IN is essential to most smaller companies. This puts IN into a very powerful position, officially as well as unofficially.
9. When I moved to Minneapolis in October 2008 with my wife Ellen Ewald, I felt warmly welcomed by the Consulate and the business community alike and I was encouraged by Norwegian Government representatives who saw the value of my background and network in assisting Norwegian companies. This is no longer the case.
10. Given what I have heard over the last years, I believe IN has discouraged companies from working with Tysvar. I am also concerned that any companies associated with Ellen or Tysvar will not get a favorable treatment from the Norwegian Government funding sources, like IN. We believe Ellen continues to be retaliated against through attacks on Tysvar, among other things.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed this 5th day of November, 2013.

s/Terje Mikalsen
Terje Mikalsen